# Foreign Affairs and International Trade Canada

## Departmental Performance Report 2011-12

The Honourable Ed Fast
Minister of International Trade and
Minister for the Asia-Pacific Gateway

The Honourable John Baird
Minister of Foreign Affairs

# Table of Contents


Ministers' Message 1

Section 1: Organizational Overview 2

1.1 Raison d'être 2

1.2 Responsibilities 2

1.3 Strategic Outcomes and Program Alignment Architecture 2

1.4 Organizational Priorities – Summary of Progress Against Priorities 3

1.5 Risk Analysis 7

1.6 Summary of Performance 9

1.7 Expenditure Profile 11

1.8 Estimates by Vote 13

Section 2: Analysis of Program Activities by Strategic Outcome 14

2.1 Strategic Outcome 1: Canada's International Agenda 14

2.1.1 Program Activity 1.1: International Policy Advice and Integration 14

2.1.2 Program Activity 1.2: Diplomacy and Advocacy 15

2.2 Strategic Outcome 2: International Services for Canadians 22

2.2.1 Program Activity 2.1: International Commerce 22

2.2.2 Program Activity 2.2: Consular Services and Emergency Management 25

2.2.3 Program Activity 2.3: Passport Canada 26

2.3 Strategic Outcome 3: Canada's International Platform 27

2.3.1 Program Activity 3.1: Governance, Strategic Direction and Common Service Delivery 27

2.3.2 Program Activity 3.2: Government of Canada Benefits 29

2.4 Internal Services 30

Section 3: Supplementary Information 34

3.1 Financial Highlights 34

3.2 Financial Statements 37

3.3 List of Supplementary Information Tables 37

Section 4: Other Items of Interest 39

4.1 Organizational Contact Information 39

# Ministers' Message

**The Honourable Ed Fast**
**Minister of International Trade and**
**Minister for the Asia-Pacific Gateway**

**The Honourable John Baird**
**Minister of Foreign Affairs**

We are proud to present the *Departmental Performance Report 2011-12* for Foreign Affairs and International Trade Canada (DFAIT), which provides a summary of the department's achievements over the past year.

To support Canadian prosperity, one of DFAIT's top priorities remains the expansion of Canada's global trading and investment relationships. Significant progress was achieved in the negotiation of trade agreements with the European Union and India, and an investment protection and promotion agreement was concluded with China. Through the Global Commerce Strategy, we continued to advance an ambitious trade liberalization agenda, with a focus on growing and emerging markets.

The Canada-U.S. relationship was strengthened through close cooperation on border management, trade and investment, energy and the environment. The Canada-U.S. Action Plan on Regulatory Cooperation identified 29 initiatives to reduce trade barriers and lower costs for consumers and business. Bilateral negotiations were concluded on a renewed Great Lakes Water Quality Agreement as well on a second Detroit River International Crossing, which accounts for 20 percent of Canada-U.S. trade.

Canada's interests in global governance and international security were advanced through initiatives at the G-8, G-20 and United Nations. Canada played a central role in NATO operations to protect innocent civilians in Libya from the Qadhafi regime. Justice and security institutions in the Americas were improved, and stability, reconstruction and democratic governance in Haiti were promoted.

Progress was achieved on Arctic boundary issues and the capabilities of the Arctic Council were improved through the establishment of a permanent Arctic Council Secretariat. Negotiations were concluded on an Arctic search and rescue agreement.

DFAIT coordinated the Government of Canada's consular and humanitarian responses to 25 international emergencies, including Canada's ongoing response to the March 2011 earthquake and nuclear emergency in Japan. The department worked throughout the year to improve financial management and the alignment of its resources with the government's priorities.

To find out more about the department and its achievements, we invite you to visit the DFAIT website.[1]

[1] www.international.gc.ca/international/index.aspx?view=d

# Section 1: Organizational Overview

## 1.1 Raison d'être

DFAIT is responsible for the conduct of Canada's international affairs, including international trade and commerce. It advances Canada's interests internationally, shapes Canada's responses to international issues and events, manages bilateral and multilateral relationships and delivers programs worldwide. It provides commercial, consular and passport services to Canadians at home and abroad and manages Canada's global network of missions in 106 countries, which serves as the Government of Canada's international platform.

## 1.2 Responsibilities

The department's mandate is set out in the Department of Foreign Affairs and International Trade Act and can be summarized as follows:

- Conduct all official diplomatic communications and negotiations between the Government of Canada and other countries and international organizations;
- Coordinate Canada's economic relations and promote Canadian international trade and commerce; and,
- Manage Canada's diplomatic and consular missions and services abroad, including the administration of the Canadian Foreign Service.

The department advances Canada's priorities abroad by undertaking diplomacy and programming in support of international peace and security, democracy, human rights and the rule of law, and provides whole-of-government coordination in response to unanticipated events, such as international crises and natural disasters abroad.

DFAIT generates international opportunities for Canadian business by negotiating agreements to open and expand markets, by facilitating two-way trade and investment, and by encouraging innovation through international science and technology partnerships.

## 1.3 Strategic Outcomes and Program Activity Architecture

Strategic Outcomes
1. Canada's International Agenda
2. International Services for Canadians
3. Canada's International Platform
The international agenda is shaped to Canada's benefit and advantage in accordance with Canadian interests and values
Canadians are satisfied with commercial, consular and passport services
The Department of Foreign Affairs and International Trade maintains a mission network of infrastructure and services to enable the Government of Canada to achieve its international priorities
Programs
1.1 International Policy Advice and Integration
1.2 Diplomacy and Advocacy
2.1 International Commerce
2.2 Consular Services and Emergency Management
2.3 Passport Canada
3.1 Governance, Strategic Direction and Common Service Delivery
3.2 Government of Canada Benefits
4.1 Internal Services

## 1.4 Organizational Priorities – Summary of Progress Against Priorities

| Priority 1: Implement the Global Commerce Strategy with a particular focus on expanding Canada's economic relationships with emerging markets and concluding negotiations with the European Union. | Type: Ongoing | Link to Strategic Outcomes: SO 1: Canada's International Agenda SO 2: International Services for Canadians |
|---|---|---|

High-level political engagement, including by Minister Fast, and targeted advocacy by Canada's network of missions in Europe increased support among EU member states for the conclusion of a Canada-EU Comprehensive Economic and Trade Agreement (CETA). The ninth formal round of CETA negotiations was concluded in October 2011, with concrete progress achieved on key market access issues.

Minister Baird travelled to China in July 2011 to discuss bilateral and multilateral issues of mutual importance, including cooperation in education, trade and investment, as well as global and regional security and governance issues, including protection of human rights. Canada's economic relations with China were enhanced through the conclusion of a Foreign Investment Protection and Promotion Agreement (FIPA), expansion of the Canada-China Air Transport Agreement, and completion of a joint study on areas of potential economic/trade complementarity to further deepen trade and economic relations.

Commercial engagement with India was strengthened, with significant progress achieved in the negotiation of a Canada-India FIPA. The two countries completed a fourth round of negotiations in February 2012 in support of a Comprehensive Economic Partnership Agreement.

Minister Fast led a June 2011 trade mission to Brazil of 19 Canadian companies to explore business opportunities and showcase Canadian expertise. A Canada-Brazil Joint Committee for Cooperation in Science, Technology and Innovation was established and bilateral agreements were reached on air transportation and social security.

DFAIT continued to advance an ambitious program of bilateral and regional trade agreements, as part of its Global Commerce Strategy, including:

- announcing Canada's interest in joining the Trans-Pacific Partnership (TPP) negotiations in November 2011, and conducting a multifaceted campaign in early 2012 to secure entry that included political engagement across government, including by the Prime Minister; technical consultations with TPP members; advocacy with business and other stakeholders in TPP countries; and domestic consultations;
- launching FTA negotiations with Japan in March 2012, as well as exploratory FTA discussions with Thailand;
- concluding a third round of FTA negotiations with the Caribbean Community, concluding FTA negotiations with Honduras in August 2011, and concluding negotiations with Chile to amend the Canada-Chile FTA;
- concluding FIPA negotiations with Kuwait and Mali and launching new FIPA negotiations with Cameroon, Côte d'Ivoire, Ghana, Kazakhstan, Pakistan and Zambia;
- ratifying FIPA agreements with the Czech Republic, Latvia, Slovakia and Romania, and, continuing FIPA negotiations with Indonesia, Mongolia, Tunisia, Tanzania and Vietnam; and,
- negotiating new or expanded air transportation agreements with Brazil, Mexico, Japan, China, Honduras, Nicaragua, St-Maarten, Curacao and Colombia.

Globally, DFAIT successfully facilitated 152 foreign direct investments (initial investments and expansion of existing investments) in 2011-12, a five percent increase over the previous year. In Asia, where the Trade Commissioner Service (TCS) has expanded its presence, 4,581 clients received services from the TCS, a five percent increase over 2010-11.

| | | |
|---|---|---|
| While the Doha Development Agenda negotiations at the WTO remained at an impasse, Canada continued to work with other WTO members to address issues facing the multilateral trading system. | | |
| Priority 2: Reinforce the Canada-U.S. relationship through effective advocacy and collaboration in the areas of border management, trade and investment and energy/environment. | Type: Ongoing | Link to Strategic Outcomes: SO 1: Canada's International Agenda SO 2: International Services for Canadians |
| DFAIT worked to further strengthen the Canada-U.S. relationship through a range of initiatives to improve border management and economic cooperation, including:<br>• supporting implementation of *Beyond the Border: A Shared Vision for Perimeter Security and Economic Competitiveness*, including signing the Action Plan on Perimeter Security and Economic Competitiveness, which is comprised of over 30 initiatives to facilitate cross-border business, and the flow of legitimate trade and travellers across the Canada-U.S. border;<br>• signing the Action Plan on Regulatory Cooperation, which identified 29 initiatives to reduce barriers to trade, lower costs for consumers and business, and generate economic opportunities;<br>• supporting the Canada-U.S. Regulatory Cooperation Council, which involved a mutual commitment to continue reducing regulatory barriers to cross-border trade;<br>• extending the Canada-U.S. Softwood Lumber Agreement to October 2015;<br>• defending against protectionist measures, such as "Buy American," through advocacy and negotiations;<br>• promoting Canadian interests during the U.S. Federal Maritime Commission study of U.S. Inland Containerized Cargo Moving through Canadian and Mexican Seaports; and,<br>• supporting the successful conclusion of negotiations between Canada and the State of Michigan on the Detroit River International Crossing, a second international crossing between Windsor and Detroit, which accounts for 20 percent of cross-border trade.<br>In 2011-12, $3 million was focussed on the promotion of U.S. investment in Canada, which helped facilitate over $1.4 billion in investments, leading to the creation of over 2,200 jobs.<br>Minister Fast met with U.S. business leaders and investors in March 2012 to promote Canada as an investment destination, underlining Canada's strong economy, low taxes and business-friendly policies.<br>DFAIT worked to maintain U.S. market access to Canadian energy by coordinating the Government of Canada's response to the development of regional Low Carbon Fuel Standards.<br>The department continued to highlight Canada as a major player in the energy sector through a comprehensive oil sands strategy to advocate for Canadian policy interests in the United States, including nine oil sands tours involving 68 American legislators and other stakeholders.<br>A renewed Great Lakes Water Quality Agreement was negotiated between Canada and the United States, which expressed a mutual commitment to restore and maintain the chemical, physical and biological integrity of the Great Lakes Basin Ecosystem. | | |
| Priority 3: Contribute to effective global governance and international security and stability. | Type: Ongoing | Link to Strategic Outcomes: SO 1: Canada's International Agenda SO 2: International Services for Canadians |
| DFAIT continued to promote Canada's interests at G-8 and G-20 summits and continued its efforts toward reforming global institutions by supporting the G-20 Cannes Summit Declaration and Action Plan, which included commitments towards strong, sustainable and balanced global economic growth.<br>Canada was successful at the 2011 Deauville G-8 Summit in extending of the Global Partnership Against | | |

the Spread of Weapons and Materials of Mass Destruction beyond 2012. A further $367 million was committed over five years for nuclear and radiological security, biological non-proliferation, engagement with former weapons scientists, chemical weapon security and nuclear disarmament.

Following up on the 2010 G-8 Muskoka Declaration, Canada worked to address emerging security challenges, such as migrant smuggling, though the establishment in November 2011 of the Sahel Working Group, co-chaired by Canada and Algeria, within the Global Counter Terrorism Forum.

In response to the crisis in Libya in early 2011, Canada played a significant role in shaping NATO decisions designed to protect civilians in Libya through Operation United Protector. Following the collapse of the Qadhafi regime, Canada worked with the United States, the United Kingdom, and Germany to improve the security of stockpiles of conventional weapons and surface-to-air missiles within Libya.

In Afghanistan, Canada contributed to the ongoing international effort, led by NATO and the UN, to strengthen security, the rule of law, human rights and regional stability, which included developing a strategy for transferring security responsibilities to Afghans by 2014.

DFAIT provided civilian police officers, training and technical support to enhance justice-sector capacity, and committed a further $18 million over three years to counter narcotics efforts in Afghanistan through the Afghanistan Counter-Narcotics Program.

The Afghanistan-Pakistan Cooperation Process was facilitated by bringing together officials to enhance border management related to customs, counter narcotics, movement of people, and law enforcement.

The annual Canada-led UN resolution on human rights violations in Iran, as well as the resolution on violence against women, passed with the largest-ever margins of support. Canada further expanded sanctions against Iran in November 2011, as announced by Minister Baird, to prevent Iran from utilizing Canadian resources to further its nuclear weapons-related activities.

As announced by the Prime Minister in Thailand in March 2012, DFAIT expanded its Anti-Crime Capacity-Building Program through an additional $12 million envelope to address migrant smuggling.

| Priority 4: Advance cooperation on security in the Americas, in particular with Mexico, Central America and Haiti. | Type: New | Link to Strategic Outcomes: SO 1: Canada's International Agenda |
|---|---|---|

DFAIT supported efforts to strengthen justice and security institutions in the Americas, bilaterally, and through $4.9 million in contributions to multilateral initiatives at the Organization of American States.

In alignment with the Government of Canada's Americas Strategy, DFAIT disbursed approximately:

- $26.3 million for 38 projects in Haiti, Colombia and Guatemala that promoted freedom, security, the rule of law, democracy, and human rights;
- $23 million for 64 projects focusing on security system reform and control of illicit drugs in Central America, the Caribbean, and Mexico; and,
- $5.6 million on projects focusing on police training under the newly created Canadian Initiative for Security in Central America.

During visits to Honduras and Costa Rica in August 2011, the Prime Minister announced $11.6 million in contributions to address security challenges in Central America through DFAIT's Anti-Crime Capacity Building Program.

Minister Baird travelled to Haiti in January 2012 to reaffirm Canada's commitment to political stability and the rule of law, and Canada engaged with international and Haitian partners to further governance, economic development and accountability, including judiciary, security sector and electoral reforms.

Canada advanced security and the rule of law in Haiti by providing specialized equipment, infrastructure and training to enhance the capacity of the Haitian National Police, including deploying 135 Canadian

| | | |
|---|---|---|
| police officers to the UN Stabilization Mission in Haiti and 18 corrections officers to deliver a national corrections training program. | | |
| Priority 5: Implement Canada's foreign policy to exercise sovereignty in the Arctic. | Type: New | Link to Strategic Outcome: SO 1: Canada's International Agenda |
| Canadian missions in Europe conducted more than 70 Arctic advocacy events, with a focus on promoting Canada as a leader in Arctic science as host of the 2012 International Polar Year Conference in Montréal.<br>At the May 2011 Ministerial meeting in Nuuk (Greenland), Canada supported an agreement to strengthen the capacity of the Arctic Council by establishing a standing Arctic Council Secretariat, which will provide the Council with support, continuity, and enhanced communications.<br>Canada and fellow Arctic Council member states signed a binding search and rescue agreement that will enhance transportation safety and cooperation in responding to distress cases.<br>DFAIT launched an international campaign that elected the first Canadian member of the Commission on the Limits of the Continental Shelf in June 2012.<br>Preparation of Canada's continental shelf submission progressed and diplomatic notes were exchanged with Denmark providing for non-objection of each other's submissions regarding the Labrador Sea.<br>Discussions were advanced and technical work was concluded with Denmark concerning the maritime boundary in the Lincoln Sea. Discussions with Denmark and the United States were advanced more generally on issues related to Arctic boundaries and the continental shelf. | | |
| Priority 6: Improve DFAIT's planning, reporting and financial management. | Type: New | Link to Strategic Outcomes:<br>SO 1: Canada's International Agenda<br>SO 2: International Services for Canadians<br>SO 3: Canada's International Platform |
| DFAIT's business planning and reporting processes were significantly improved by directly linking individual senior executive accountabilities to corporate planning commitments and by fully integrating risk management into strategic, operational and mission business plans.<br>Alignment of resources with plans and priorities was enhanced through the implementation of a new methodology—presented in DFAIT's 2011-12 Integrated Corporate Business Plan—to align plans and related resources against the department's Program Activity Architecture.<br>DFAIT continued initiatives to improve its financial management and enhance the quality and accuracy of financial advice and recommendations to senior management, including:<br>• continued implementation of the Financial Management Advisor structure, which integrates financial advisors throughout the department to improve access to timely strategic financial management and advice; and,<br>• implementation of new tools and procedures, such as a new financial planning tool and a standard payment system. | | |

## 1.5 Risk Analysis

As a federal department operating in a complex and rapidly changing world, DFAIT is exposed to a broad range of risks. The Departmental Audit Committee provided independent oversight of DFAIT's risk management practices throughout the year. DFAIT's Corporate Risk Profile identified six strategic risks and related mitigation plans were identified for 2011-12.

**Challenges related to Human Resources, Financial and Information Management**

Accuracy of human resource and finance information presented a significant risk to effective management of DFAIT operations in 2011-12. To improve the quality of human resource information, Human Resources Management Advisors were deployed to DFAIT branches, and new human resource reports were developed, including quarterly human resource dashboards for each branch.

DFAIT continued to improve financial management and controls to ensure consistent budget management, enhanced salary forecasting, and improved financial resource planning. In 2011-12, the department implemented the Financial Management Advisor structure, which improved information flows between the Chief Financial Officer and branch managers and facilitated the provision of effective advice on financial matters to Deputy Ministers. Work is underway to improve salary forecasting in the department through the introduction of new salary forecasting tools. The challenge function of DFAIT's Resource Management Committee was improved, and clear financial accountabilities were incorporated into all executive performance agreements.

Risks to the maintenance of high-quality, secure information management systems were also actively managed throughout 2011-12. The Information Management/Information Technology (IM/IT) Investment Committee recommendations resulted in 12 critical IM/IT investments across the department.

**Capacity to Provide Services to Canadian Citizens and Protect Government Personnel and Assets in the Face of Emergencies**

DFAIT supported the evacuation of Canadians during civil conflicts in the Middle East and North Africa and helped provide assistance to those affected by the earthquake in Japan. Specific progress made in managing emergency response risks included: completion of DFAIT's Emergency Watch and Response Centre to improve emergency coordination; the opening of a Regional Emergency Management Office for Asia in Kuala Lumpur, Malaysia (complementing existing offices in Panama and Turkey); and the launch of a new All Hazards Mission Emergency Planning framework that identifies and provides mission emergency response teams with clear responsibilities and establishes alternative means to ensure the delivery of the government's critical services abroad in times of emergencies. Additionally, a comprehensive lessons learned exercise was conducted which examined the department's consular response to the Arab Spring. The findings of this exercise will guide the department's efforts in the coming years to further strengthen its emergency management capacity.

Emergency preparedness training and resources at missions were increased to reduce the reliance on DFAIT headquarters during emergencies, including placing Military Police at high-risk missions to provide additional crisis management experience. Different models for maintaining effective surge capacity to sustain departmental emergency responses were also tested during the year. The development of a Departmental Security Plan in 2011-12 and the new investments in infrastructure also helped to mitigate these risks by strengthening security at headquarters and at missions abroad.

**Volatile Global Economic Conditions**

Global economic conditions remained volatile in 2011-12, with a potential negative impact on DFAIT's ability to facilitate trade opportunities for Canadian companies and promote foreign investment in Canada. Over the course of the year, assessments showed that the mitigation strategies the department put in place were generally effective in addressing this risk. These strategies included using business planning to set goals that take global economic trends into consideration, focussing trade promotion efforts on high-value commercial clients, and continuing to expand Canada's economic relationships, particularly in emerging markets, through the implementation of DFAIT's Global Commerce Strategy.

Progress in trade negotiations with the European Union and India also helped reduce this risk, as did strong advocacy campaigns in the United States on border, trade and investment issues.

**Erosion of Human and Knowledge Capital**

As a knowledge-based organization, DFAIT actively managed risks related to attracting and retaining the expertise of a specialized workforce that includes rotational, non-rotational and locally engaged staff (LES) deployed in 106 countries throughout the world.

An executive-level Information Management Advisory Committee was created to advise on information management and knowledge management issues across the department. Through its LES governance structure, DFAIT continued to develop a comprehensive LES compensation strategy and standardized human resources processes to maintain the department's ability to attract and retain high quality LES employees.

**Risks Associated with Change**

The department managed a number of risks associated with significant change initiatives over the past year. A dedicated unit responsible for change management supported these initiatives, working closely with the bureaus responsible for finance, HR and risk management, as well as with the substantive leads for each change initiative. Accountabilities for change management were also integrated into DFAIT's planning tools, including the department's Integrated Corporate Business Plan.

DFAIT also managed the risks associated with change initiatives by establishing a governance structure to develop robust change proposals, which were reviewed by the Treasury Board Secretariat and by Deloitte for due diligence and completeness. Key players responsible for the effective implementation of decisions were engaged early on in this process and throughout the development of change initiatives.

Following Budget 2012 in late March 2012, the Deputy Ministers established clear accountabilities for the implementation of Budget decisions, and DFAIT's Chief Financial Officer began reporting on progress in meeting financial targets through monthly financial forecasting reports. Performance Management Agreements for all relevant managers included clear identification of roles and accountabilities for implementation of Budget 2012 decisions.

**Challenges Related to External and Internal Communications**

DFAIT's communications environment is complex, given the department's decentralized network of over 191 offices and its very diverse audience, which includes foreign governments, international and non-governmental organizations, the business community and the Canadian public. Responding to these risks, DFAIT communications staff ensured that clear parameters were in place for corporate communications. Greater emphasis was placed on outreach to stakeholder communities, including through the use of social media such as Twitter.

DFAIT delivered clear messaging and developed effective strategies to highlight Canadian foreign policy and international trade priorities. Through an outreach strategy for partners and allies, the department improved its capacity to ensure messaging was coordinated before making public statements. The communications bureaus have also supported clear internal communication on key issues affecting employees, particularly around change management and implementation of Budget 2012 decisions.

## 1.6 Summary of Performance

2011-12 Financial Resources ($ millions)

| Planned Spending[2] | Total Authorities* | Actual Spending* |
|---|---|---|
| 3,040.4 | 2,906.8 | 2,482.5 |
| * Excludes amount deemed appropriated to Shared Services Canada. | | |

2011-12 Human Resources (FTEs)[3]

| Planned | Actual | Difference |
|---|---|---|
| 13,453 | 13,054 | (399) |

### Strategic Outcome 1: Canada's International Agenda

| The international agenda is shaped to Canada's benefit and advantage in accordance with Canadian values and interests. | | | | | | |
|---|---|---|---|---|---|---|
| Performance Indicator | | Target | 2011-12 Performance | | | |
| Percentage of international partners and institutions that recognize and support key Canadian positions. | | 75% | Canada's interests were consistently recognized and supported at multilateral forums and international institutions, notably the G-8/G-20, the UN, NATO, the Arctic Council, APEC and ASEAN. See Section 2.1.2 for additional information. | | | |
| Program Activity | 2010-11 Actual Spending | 2011-12 ($ millions) | | | | Alignment to Government of Canada Outcome |
| | | Main Estimates | Planned Spending | Total Authorities | Actual Spending | |
| PA 1.1: International Policy Advice and Integration | 226.6 | 126.2 | 133.7 | 106.2 | 99.3 | A Safe and Secure World |
| PA 1.2: Diplomacy and Advocacy | 1,271.5 | 1,153.5 | 1,193.8 | 1,210.9 | 1,063.6[4] | |
| Total SO 1 | 1,498.1 | 1,279.7 | 1,327.5 | 1,317.1 | 1,162.9 | |

[2] Excludes revenues credited to the vote. In certain specific situations, Parliament authorizes departments or agencies to spend revenues generated from their operations, but these revenues are not presented in the planned spending figures.

[3] The number of full-time Equivalents (FTEs) is not the same as the number of departmental workers. For example, an FTE is equivalent to a full-time worker and an FTE of 0.5 is equivalent to one half-time worker.

[4] Diplomacy and Advocacy: Actual spending ($1, 063.6 million) was $130 million lower than planned spending ($1,193.8 million) due mainly to surpluses in Vote 10 Grants and Contributions funds. Specifically, the assessed (or non-discretionary) contributions surplus was approximately $80 million (i.e. United Nations Peacekeeping Operations and United Nations Organization) and the non-assessed grants and contributions surplus was approximately $20 million (i.e. the Global Peace and Security Fund and its sub-programs and the Investment Cooperation Program).

## Strategic Outcome 2: International Services for Canadians

| Canadians are satisfied with commercial, consular and passport services | | | | | | |
|---|---|---|---|---|---|---|
| Performance Indicator | | | Target | | 2011-12 Performance | |
| Percentage of clients who were satisfied with consular, passport and commerce services provided by the department. | | | 70% | | Commercial: 80%<br>Consular: 94%<br>Passport: 90%<br>See Section 2.2 for additional details. | |
| Program Activity | 2010-11 Actual Spending | 2011-12 ($ millions) | | | | Alignment to Government of Canada Outcome |
| | | Main Estimates | Planned Spending | Total Authorities | Actual Spending | |
| PA 2.1: International Commerce | 178.3 | 152.4 | 162.7 | 172.3 | 167.5 | A Prosperous Canada |
| PA 2.2: Consular Services and Emergency Management | 54.8 | 51.2 | 60.6 | 69.5 | 68.0 | A Safe and Secure World |
| PA 2.3: Passport Canada | 16.8 | 45.4 | 329.1 | 158.3 | 19.5[5] | |
| Total SO 2 | 249.9 | 249.0 | 552.4 | 400.1 | 255.0 | |

## Strategic Outcome 3: Canada's International Platform

| The Department of Foreign Affairs and International Trade maintains a mission network of infrastructure and services to enable the Government of Canada to achieve its international priorities. | | | | | | |
|---|---|---|---|---|---|---|
| Performance Indicator[6] | | | Target | | 2011-12 Performance | |
| Percentage of Government of Canada clients who responded favourably to the common services they received. | | | 75% | | 90%<br>See Section 2.3 for additional details. | |
| Program Activity | 2010-11 Actual Spending | 2011-12 ($ millions) | | | | Alignment to Government of Canada Outcome |
| | | Main Estimates | Planned Spending | Total Authorities* | Actual Spending* | |
| PA 3.1: Governance, Strategic Direction and Common Service Delivery | 309.9 | 752.5 | 823.1 | 756.5 | 654.6[7] | A Safe and Secure World |

[5] Passport Canada: Passport Canada's financials include $293.6 million of re-spendable revenues in its actual spending but excludes the corresponding amount from its planned spending. When using the same basis of comparison (i.e. gross spending), the difference between actual spending ($313.1 million) and planned spending ($329.1 million) is more accurately reflected as $16 million.

[6] Due to ongoing improvements to DFAIT's Performance Measurement Framework, this performance indicator was modified.

[7] Actual spending ($654.6 million) was $169 million lower than planned spending ($823.1 million) due mainly to: the transfer of specific activities to Shared Services Canada in November 2011 ($20 million) that was unknown during the RPP production period; the deferral to future fiscal years for the funding of the Long Term Accommodation Strategy originally planned for in 2011-12; surpluses in Vote 5 Capital funds (i.e. Moscow Chancery Relocation Project re-profiling ($5 million), funding for strengthening Canada's network of missions abroad ($5 million), and the Special Purpose Allotment for Strengthening Security at Missions Abroad ($24 million); and surpluses in Vote 1 Operating and Maintenance funds (i.e. common services abroad charges ($5 million), the Special Purpose Allotment for Strengthening Security at Missions Abroad ($5 million).

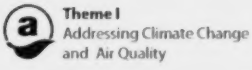
| | | | | | | |
|---|---|---|---|---|---|---|
| PA 3.2: Government of Canada Benefits | 494.6 | 148.8 | 150.0 | 224.0 | 212.0[8] | |
| Total SO 3 | 804.5 | 901.3 | 973.1 | 980.5 | 866.6 | |
| * Excludes amount deemed appropriated to Shared Services Canada. | | | | | | |

**Performance Summary, Internal Services**

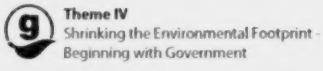
| Program Activity | 2010-11 Actual Spending | 2011-12 ($ millions) | | | |
|---|---|---|---|---|---|
| | | Main Estimates | Planned Spending | Total Authorities | Actual Spending |
| PA 4.1: Internal Services | 152.6 | 185.1 | 187.4 | 209.1 | 198.0 |

**Contribution to the Federal Sustainable Development Strategy**

The Federal Sustainable Development Strategy (FSDS) outlines the Government of Canada's commitment to improving the transparency of environmental decision making by articulating its key strategic environmental goals and targets. DFAIT ensures that consideration of these outcomes is integrated into decision making and contributes to the following FSDS themes, which are denoted by the visual identifiers and associated program activities.




Program Activity 2.1: Diplomacy and Advocacy




Program Activity 4: Internal Services

During 2011–12, DFAIT considered the environmental effects of initiatives subject to the *Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals*. Through the strategic environmental assessment process, the department reviewed 49 departmental initiatives, which were found to have no environmental effects, either positive or negative. See the *Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals* for more information.[9]

For further information on the department's activities to support sustainable development and strategic environmental assessments, please visit the departmental energy, environment and sustainable development web site. For complete information on the FSDS, please visit the Environment Canada FSDS web site.[10]

## 1.7 Expenditure Profile

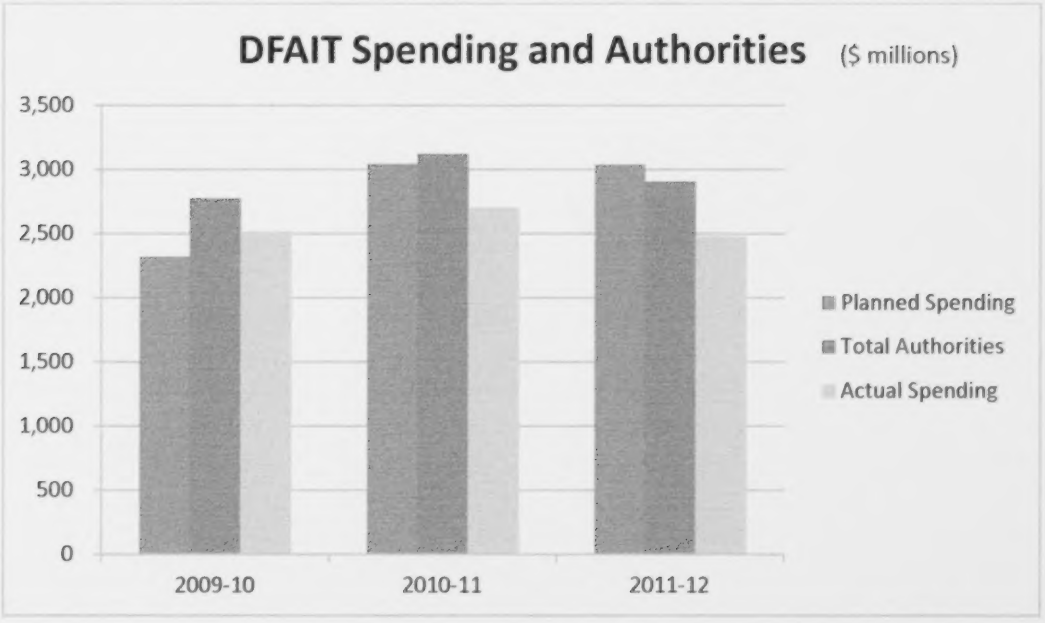
The graph below depicts the department's actual spending, planned spending and total spending authorities for the fiscal years 2009-10 to 2011-12. DFAIT's departmental expenditure profile includes Passport Canada.

---

[8] Government of Canada Benefits: Actual spending ($212.0 million) was $62 million higher than planned spending ($150.0 million) mainly due to the transfer of funding from the Treasury Board Secretariat of $70 million for pensions, insurance and social security for locally engaged staff, of which approximately $60 million was spent in 2011-12. This item was not included as a planned item since it was unknown during the RPP production period.

[9] www.ceaa.gc.ca/default.asp?lang=En&n=B3186435-1

[10] www.ec.gc.ca/dd-sd/default.asp?lang=En&n=C2844D2D-1




The department's total actual spending in 2011-12 of $2,482.5 million was within its total authorities of $2,906.8 million granted by Parliament. Variances between total authorities, planned and actual spending are due to differences in the planning assumptions used during the RPP production period and actual expenditures for the given fiscal year. In general, the following factors affected 2011-12 actual spending but were unplanned in the RPP: departmental savings measures and spending in anticipation of Budget 2012; transfers related to the management of resources (such as the creation of Shared Services Canada); and reprioritization of departmental priorities or initiatives.

In 2011-12, actual spending was $557.9 million lower than the planned spending figure of $3,040.4 million. Significant items include:

- $310 million related to the presentation of Passport Canada's financials which include $293.6 million of re-spendable revenues in its actual spending but exclude the corresponding amount from its planned spending. When using the same basis of comparison, the impact on DFAIT's total variance is more accurately reflected as $16 million;
- $100 million due to the surplus in Vote 10 Grants and Contributions funds of which $80 million is in assessed or non-discretionary contributions (i.e. for United Nations peacekeeping operations and the United Nations Organization). The remaining surplus is in non-discretionary grants and contributions, mainly related to the Global Peace and Security Fund and its sub-programs and the Investment Cooperation Program. The majority of the Vote 10 surplus is reflected in the Diplomacy and Advocacy program activity;
- $31 million related to funding transferred to Shared Services Canada for the consolidation and transfer of Information Technology infrastructure that was unknown during the planning horizon. The majority of the transfer is reflected in the Governance, Strategic Direction, and Common Service Delivery program activity;
- $40 million in various surpluses in Vote 5 capital funds which are mainly reflected in the Governance, Strategic Direction, and Common Service Delivery program activity (i.e. the Moscow Chancery Relocation Project, funding for strengthening Canada's network of missions abroad, and the Special Purpose Allotment for Strengthening Security at Missions Abroad;

- $12 million due to the deferral to future fiscal years for the funding of the Long Term Accommodation Strategy originally planned for in 2011-12;
- $46 million in Net Voted Revenues related to: sales of real property; employee rental shares; telecommunication services etc. were included in the actual spending but were excluded from planned spending (same as the Passport respendable revenues item);
- $18 million related to Canada Fund for Local Initiatives (CFLI) planned for in the RPP 2011-12 but was not included in DFAIT's actuals until 2012-13;
- $11 million in reinvestment of revenues from the sales of real property were planned for in the RPP 2011-12 but there were no actuals;
- $5 million due to Vote 1 surplus related to Prime Minister and Governor General visits;
- $4 million related to Vote 1 surplus related to travel savings (actuals less than planned spending); and,
- $70 million in higher-than-planned spending due to the transfer of funds from the Treasury Board Secretariat for pensions, insurance, and social security of locally engaged staff that was unknown during the planning horizon.

Additional details on the differences between actual and planned spending are presented by program activity in Section 1.6.

## 1.8 Estimates by Vote

For information on DFAIT's organizational Votes and/or statutory expenditures, please see the Public Accounts of Canada 2012 (Volume II). An electronic version of the Public Accounts 2012 is available on the Public Works and Government Services Canada's web site.[11]

[11] www.tpsgc-pwgsc.gc.ca/recgen/txt/72-eng.html

# Section 2: Analysis of Program Activities by Strategic Outcome

## 2.1 Strategic Outcome 1: Canada's International Agenda

**Description:** The international agenda is shaped to Canada's benefit and advantage in accordance with Canadian interests and values.

### 2.1.1 Program Activity 1.1: International Policy Advice and Integration

**Description:** DFAIT draws upon its expertise at missions and headquarters to establish integrated and coherent foreign policy and international trade priorities, and to provide information, intelligence and advice to ministers, senior officials and key partners to support informed decisions that advance Canadian values and interests internationally.

**2011-12 Financial Resources ($ millions)**

| Planned Spending | Total Authorities | Actual Spending |
|---|---|---|
| 133.7 | 106.2 | 99.3 |

**2011-12 Human Resources (FTEs)**

| Planned | Actual | Difference |
|---|---|---|
| 880 | 858 | (22) |

**Program Activity Performance Summary**

| Expected Result | Performance Indicator | Target | Actual Results[12] |
|---|---|---|---|
| The Government of Canada has the information, intelligence and advice it needs to make informed decisions on foreign and international economic policies, programs and priorities. | Level of satisfaction of the government with the information, intelligence and advice. | 90% | 93% |

**Performance Summary and Analysis of Program Activity**

DFAIT's network of officers at headquarters and at 178 missions abroad produced thousands of reports to ensure the Government of Canada had the information, intelligence and advice that it needs to make informed decisions on foreign and international economic policies and priorities.

Coherent, integrated and prioritized policy advice was provided to the Prime Minister, ministers, senior management and other government departments, drawing upon mission reporting and policy research and development efforts.

An open policy collaboration portal was introduced, making the department's research work accessible to over 200,000 public servants and encouraging a more efficient and collaborative work environment. Approximately 50 open policy development events and initiatives were held over the past year, including engagement with the non-profit and private sectors.

[12] The department is reviewing its Performance Measurement Framework and is moving towards a survey methodology to measure the level of satisfaction with the department's intelligence, information and advice. This year's 93 % satisfaction rating represents a proxy measure based on the assumption that this implies satisfaction with the advice provided to senior managers.

Prioritized, action-based foreign policy planning was undertaken to guide Canada's international engagement and deliver on Canada's international priorities.

The Government of Canada was provided with high-quality legal policy advice on international issues, including:

- advice to support scientific and technical teams working on Canada's continental shelf submission; and,
- advice related to the imposition of three rounds of economic sanctions on Iran, seven on Syria, and one on North Korea, all under the Special Economic Measures Act.

DFAIT conducted a review of the International Assistance Envelope to ensure that international assistance allocations and programming were efficient, effective and aligned with Government of Canada priorities.

Canada's Strategy for Engagement in the Americas was renewed, expanding the Government of Canada's emphasis on prosperity, security and democracy and through promotional and relationship-building efforts, and will continue to encourage Canadian businesses to take advantage of trade and economic agreements in the region.

To improve strategic planning and alignment of resources with policy priorities, DFAIT completed a comprehensive and widely consulted 2011-2016 Environmental Scan that addressed significant trends with the potential to impact the selection of DFAIT's policy and management priorities for the next year.

**Lessons Learned**

Recognizing the importance of harnessing new technologies and networks to develop innovative approaches to policy development, DFAIT created a policy collaboration portal to generate a more efficient and collaborative work environment through knowledge sharing, which incorporated ideas from a variety of sources and perspectives, including from academia and the non-profit and private sectors.

Drawing upon lesson learned from the development of DFAIT's 2011-12 Integrated Corporate Business Plan, the department began a comprehensive review and reform of its Program Activity Architecture and related Performance Measurement Framework in order to simplify the planning and reporting process and improve the alignment of resources with priorities.

### 2.1.2 Program Activity 1.2: Diplomacy and Advocacy

**Description:** Diplomacy, advocacy and program delivery, informed by consultations with domestic stakeholders, are key activities DFAIT undertakes to engage and influence international players in order to advance Canadian interests and values.

**2011-12 Financial Resources ($ millions)**

| Planned Spending | Total Authorities | Actual Spending |
|---|---|---|
| 1,193.8 | 1,210.9 | 1,063.6 |

### 2011-12 Human Resources (FTEs)

| Planned | Actual | Difference |
|---|---|---|
| 1,793 | 1,876 | 83[13] |

### Program Activity Performance Summary

| Expected Result | Performance Indicator | Targets | Actual Results[14] |
|---|---|---|---|
| Canada's diplomatic efforts and programs engage and influence international players to protect and build support for Canadian interests and values. | Reflection of Canadian foreign and international economic policy priorities in bilateral and multilateral actions, decisions, declarations and agreements. | 95% | 93% |

### Performance Summary and Analysis of Program Activity

Theme I
Addressing Climate Change and Air Quality [15]

***Contributing to Canadian prosperity***

DFAIT supported the expansion of Canada's economic relationships with growing and emerging markets such as India, China and Brazil, as follows:

- significant progress towards a Canada-India Comprehensive Economic Partnership Agreement, including completion of four rounds of negotiations, and progress towards a Canada-India Foreign Investment Protection and Promotion Agreement (FIPA);
- conclusion of a FIPA with China, expansion of the Canada-China Air Transport Agreement, completion of a joint study on areas of economic/trade complementarity; and,
- high-level engagement and advocacy in Brazil, including by Minister Fast, expanded cooperation on science and technology and international education, and the conclusion of bilateral Air Transport and Social Security Agreements.

Canada and the EU made substantial progress towards a Comprehensive Economic and Trade Agreement, completing a ninth formal round of negotiations and achieving concrete progress in all key market access areas (i.e. goods, services, investment and government procurement).

Globally, DFAIT advanced an ambitious program of bilateral and regional trade agreements, including:

- announcing Canada's interest in joining the Trans-Pacific Partnership (TPP) negotiations in November 2011, and conducting a multifaceted campaign in early 2012 to secure entry that included political engagement across government, including by the Prime Minister; technical consultations with TPP members; advocacy with business and other stakeholders in TPP countries; and domestic consultations;

---

[13] Variance due to a change in the methodology used to calculate FTEs by Program Activity.

[14] Reflection of Canadian foreign and international economic policy priorities in bilateral and multilateral actions, decisions and agreements was measured based on the department's accomplishments against the departmental priorities.

[15] This visual identifier signifies that the department contributes to the FSDS through this program activity. See results regarding the UN Framework Convention on Climate Change in section 2.1.2 under the heading "Advancing Canada's Interests with Respect to the Environment, Energy and the Arctic."

- the launch of Free Trade Agreement (FTA) negotiations with Japan, exploratory FTA discussions with Thailand, and exploratory talks with Israel on the possible expansion of the existing Canada-Israel FTA;
- exploratory meetings with MERCOSUR on deepening commercial ties, the conclusion of a third round of FTA negotiations with the Caribbean Community, the conclusion of FTA negotiations with Honduras, including parallel agreements on labour and environmental cooperation, and the conclusion of negotiations with Chile to amend the Canada-Chile FTA;
- the conclusion of FIPA negotiations with Kuwait and Mali, the launch of FIPA negotiations with Cameroon, Côte d'Ivoire, Ghana, Kazakhstan, Pakistan and Zambia and the ratification of FIPA agreements with the Czech Republic, Latvia, Slovakia and Romania; and,
- the negotiation of new or expanded air transportation agreements with Brazil, Mexico, Japan, China, Honduras, Nicaragua, St-Maarten, Curacao and Colombia.

Over 50 trade consultations were held with provinces, territories and the Federation of Canadian Municipalities, and 68 DFAIT ministerial and senior official domestic outreach programs enabled Canadians to engage with the Government of Canada's trade agenda. Provincial and territorial ministers endorsed the need for trade diversification focused on high-growth emerging markets, and committed their support for the Canada-EU Comprehensive Economic and Trade Agreement.

While the Doha Development Agenda negotiations at the World Trade Organization (WTO) remained at an impasse, Canada continued to work with other WTO members to address issues facing the multilateral trading system. DFAIT worked closely with Canadian industry through the WTO dispute settlement mechanism to secure an agreement with the Republic of Korea to resume imports of Canadian beef.

DFAIT delivered Canada's international education and youth programs to promote Canada as a study destination, to deepen international education relationships, and to enhance knowledge and understanding of Canada abroad, including:

- over 170 education-promotion events coordinated by missions in 70 countries, reaching over 100,000 students and key influencers;
- 883 scholarship recipients from 47 countries, 24 Canada-Haiti Academic Projects, and 11 Canada-Brazil Joint Research Projects;
- facilitation of 59,521 participants from 32 countries to travel and work in Canada, and 18,828 Canadians going abroad, a four-percent increase in total participation; and,
- support for 36 national and regional associations for Canadian studies abroad in more than 50 countries.

***Contributing to Global Governance and Security***

DFAIT continued to promote Canada's interests in global governance, international security, and efforts to reform global institutions such as the G-8 and G-20, through:

- contributions to the May 2011 G-8 Deauville Summit and Accountability Report and participation in the G-20 Cannes Summit Declaration and Action Plan, which included commitments by G-20 members to strong, sustainable and balanced global economic growth;
- successful advocacy with G-8 and G-20 allies for an extension of the Global Partnership Against the Spread of Weapons and Materials of Mass Destruction beyond 2012, committing a further $367 million over five years;

- whole-of-government advocacy and programming to address the political and security implications of the rise of democratic movements in the Middle East and North Africa, as well as to advance coordinated responses to other regional and thematic security issues including Syria, Iran, North Korea, counter-terrorism, transnational organized crime, and religious freedom; and,
- leadership of G-8 work on issues of Women, Peace and Security, to advance respect for the human rights and fundamental freedoms of women, and to build on the important role women play in promoting and maintaining peace and stability in post-conflict environments along with the broader role they play in advancing free, open and prosperous societies.

Following up on the 2010 G-8 Muskoka Declaration, Canada worked to address emerging security challenges, such as migrant smuggling, though the establishment in November 2011 of the Sahel Working Group of the Global Counter Terrorism Forum, co-chaired by Canada and Algeria.

Responding to the crisis in Libya in early 2011, Canada helped shape North Atlantic Treaty Organization (NATO) decisions designed to protect civilians in Libya through Operation Unified Protector, including at the April 2011 NATO Foreign Ministers Meeting in Berlin.

Following the collapse of the Qadhafi regime in Libya, Canada's Stabilization and Reconstruction Task Force worked with the United States, the United Kingdom, and Germany to secure conventional weapons and surface-to-air missiles (which are capable of destroying commercial airlines) that had fallen out of state control and therefore presented a significant risk to regional and global security.

Consistent with Canada's commitment to early and sustained engagement of civilian experts in post-conflict or post-crisis situations, the Stabilization and Reconstruction Task Force improved Canada's whole-of-government civilian deployment capacity. The department supported the deployment of 230 Canadian police officers and 19 corrections officers, primarily to Haiti, Afghanistan and South Sudan, to enhance capacity for security, governance, and the rule of law through the transfer of knowledge, as well as through mentoring and training.

DFAIT continued to make a significant contribution to the international effort in Afghanistan, led by the UN and NATO, including through:

- whole-of-government programs and initiatives focused on security, the rule of law, respect for human rights and regional diplomacy, including a further $18-million contribution to the Afghanistan Counter-Narcotics Program, to diminish the trade in illicit drugs and its financing of terrorist and insurgency activities in the region;
- a $3.7-million contribution to deploy 45 police officers to Afghanistan to provide training and mentoring to the Afghan National Police in community policing, advanced investigations and anti-corruption, and police administration;
- promotion of regional diplomacy and security by facilitating the Afghanistan-Pakistan Cooperation Process, which focuses on improving border management in the areas of customs, law enforcement, counter-narcotics, and the management of the movement of people; and,
- cooperation with NATO allies to meet Canadian objectives in Afghanistan, including full transition of security responsibilities to Afghans by 2014. By November 2011, 75 percent of the Afghan population was under the protection of Afghan National Security Forces.

As announced by the Prime Minister in Thailand in March 2012, DFAIT's Anti-Crime Capacity-Building Program was provided with an additional $12 million to prevent and respond to migrant smuggling activities and enhance cooperation with source and transit countries.

The department's Global Partnership Program disbursed over $100 million to support nuclear and radiological security, biological non-proliferation, engagement with former weapons scientists, chemical

weapons and nuclear disarmament, including the conversion of research reactors using highly enriched uranium in Mexico and Vietnam, and the destruction of chemical weapons stockpiles in Libya.

Addressing human rights issues, DFAIT led the annual resolution at the UN General Assembly on the human rights situation in Iran, which passed by the largest-ever margin, and co-led a Human Rights Council resolution on violence against women, which also passed with the highest-ever level of support.

***Advancing Bilateral and Regional Interests***

***The United States***

The Canada-U.S. relationship was reinforced through cooperation on border management, and the advancement of key trade and security initiatives, including:

- supporting the implementation of *Beyond the Border: A Shared Vision for Perimeter Security and Economic Competitiveness*, including signing the Action Plan on Perimeter Security and Economic Competitiveness which comprises 30 initiatives to facilitate cross-border business; and the flow of legitimate trade and travellers across the Canada-U.S. border;
- supporting the Beyond the Border Working Group and organizing public consultations for the Shared Vision for Perimeter Security and Economic Competitiveness, which engaged over 1,000 Canadians and 200 groups and organizations;
- signing the Action Plan on Regulatory Cooperation, which identified 29 initiatives to reduce barriers to trade, lower costs for consumers and business, and generate economic opportunities;
- promoting Canadian interests during the U.S. Federal Maritime Commission study of U.S. Inland Containerized Cargo Moving through Canadian and Mexican Seaports; and,
- creating, with the United States, the Canada-U.S. Regulatory Cooperation Council, a mutual commitment to reduce regulatory barriers to cross-border trade.

The department worked to address protectionist legislation in the U.S. Congress, such as the "Buy American" provisions in the American Jobs Act, which threaten market access by Canadian suppliers to U.S. government procurement opportunities.

Canada and the United States extended the Canada-U.S. Softwood Lumber Agreement through October 2015, providing Canadian exporters with stable and predictable access to the U.S. market.

An agreement was reached with the State of Michigan to build the Detroit River International Crossing, a second international crossing between Windsor and Detroit, which accounts for 20 percent of cross-border trade.

An updated Great Lakes Water Quality Agreement was concluded with the United States, involving a mutual commitment to restore and maintain the chemical, physical and biological integrity of the Great Lakes Basin Ecosystem.

DFAIT worked to maintain market access for Canadian energy through coordinating the Government of Canada's response to the development of regional Low Carbon Fuel Standards and by conducting a series of nine oil sands tours for 68 targeted U.S. legislators, media and other groups.

High-level advocacy in the United States, including by Minister Fast, was used to promote Canada as an investment destination of choice, highlighting Canada's strong economic fundamentals, low taxes, and business-friendly environment.

***The Americas***

Working to enhance justice- and security-sector governance and address security issues in Central America and Mexico, the department disbursed $26.3 million for 38 projects in Haiti, Colombia and Guatemala, to promote freedom, security, the rule of law, democracy and human rights.

DFAIT delivered security programming in the region, including:

- disbursements of $23 million through the Anti-Crime Capacity Building Program (ACCBP) for 64 projects focussing on security system reform and illicit drugs in Central America, the Caribbean and Mexico;
- contributions of $11.6 million to address security challenges in Central America through the ACCBP, announced by the Prime Minister during visits to Honduras and Costa Rica in August 2011; and
- disbursements of $5.6 million and initiation of three projects focusing on police professionalization and training under the newly created Canadian Initiative for Security in Central America.

Minister Baird travelled to Haiti in January 2012 to reaffirm Canada's commitment to political stability and the rule of law, and Canada engaged with Haitian and other international partners to further governance, economic development and accountability in Haiti, focussing on the adoption of constitutional amendments, judiciary and security-sector reforms and a reinforced democratic electoral process.

Security and the rule of law in Haiti were advanced by providing specialized equipment, infrastructure and training to enhance the capacity of the Haitian National Police, including the deployment of 135 Canadian police officers to the UN mission in Haiti and 18 corrections officers to deliver a national corrections training program.

Canada made significant contributions to improve the accountability and transparency of the Organization of American States, supporting modernized accounting procedures, results-based management, and financial oversight.

***Europe***

High-level political advocacy, including by Minister Fast, was undertaken in targeted European cities and through engagement with key EU counterparts to build support for the Canada-EU Comprehensive Economic and Trade Agreement (CETA). Canada's missions in Europe delivered targeted outreach initiatives to governments, industry and business associations, maintaining a high level of support among EU countries for a CETA.

Canada's missions in Europe implemented Canada's Arctic Foreign Policy through more than 70 advocacy events, with a focus on promoting Canada as a leader in Arctic science in the lead-up to hosting the 2012 International Polar Year Conference in Montréal.

***Asia***

A democratic development and good governance agenda was advanced by DFAIT through leadership on security and human rights at regional and multilateral forums such as the Association of Southeast Asian Nations (ASEAN), including:

- co-chairing the ASEAN Regional Forum on Counterterrorism and the Transnational Organized Crime meeting with Vietnam;

- maintaining pressure on the Burmese government for political reform and respect for human rights;
- implementing, with ASEAN nations, a strategy to combat human smuggling, including the provision of an additional $12 million for capacity building in Thailand, as noted above;
- Minister Baird signing the Third Protocol Amending the Treaty of Amity and Cooperation in Southeast Asia and discussing key regional security issues, such as the situation on the Korean Peninsula, the situation in Burma and maritime security;
- engaging with Pakistan bilaterally and multilaterally on human rights and religious freedom issues; and,
- consistently raising human rights issues in the region.

***Africa and the Middle East***

Key bilateral and regional relationships in Africa in were reinforced in the past year, including:

- initiatives to strengthen economic relations and security cooperation with Nigeria;
- engagement with the African Union on democratic governance issues;
- working with partners in Africa to improve human rights, governance and security in the Democratic Republic of Congo and Great Lakes region.

To support the newly independent South Sudan, training, equipment and infrastructure were provided to enhance justice, police, and prison sector capabilities. Equipment and training were also provided to immigration officials at Juba International Airport. To mitigate the risk of renewed conflict in South Sudan, DFAIT provided police communications equipment and support for the construction of 18 police posts, and deployed 21 police officers to deliver technical assistance and to support police mentoring.

An initiative by Canada to prevent the trade in "conflict materials," resulted in the adoption by Rwanda and the Democratic Republic of the Congo of internationally recognized trade standards addressing these issues.

Canada provided ongoing support to the Middle East Peace Process, including publicly supporting the resumption of negotiations between Israel and Palestine, with the overall goal of a comprehensive, just and lasting peace in the Middle East, and the creation of a Palestinian state living side by side in peace and security with Israel.

***Advancing Canada's Interests with Respect to the Environment, Energy and the Arctic***

At the 2011 Arctic Ministerial meeting in Nuuk (Greenland), Canada supported an agreement to strengthen the capacity of the Arctic Council by establishing a standing Arctic Council Secretariat, which will support the work of the Council, maintain institutional memory, provide enhanced communication and outreach, and exchange information with other organizations.

Also at the Ministerial meeting, Canada and fellow Arctic Council member states signed a binding search and rescue agreement that will enhance transportation safety and international cooperation in responding to distress cases.

DFAIT advanced discussions and concluded technical work with Denmark concerning maritime boundaries in the Lincoln Sea, and continued discussions with Denmark and the United States on issues related to Arctic boundaries and the definition of the continental shelf.

As a party to the UN Framework Convention on Climate Change, Canada continued to support the Durban Platform and the establishment by 2012 of a fair and comprehensive global climate change regime.

***Protocol***

An active official visits agenda contributed to the deepening and expansion of Canada's foreign policy and trade relations during a critical time for the global economic recovery. DFAIT coordinated 36 state, official and working visits, as well as Canada's participation in 132 multilateral and bilateral visits and summits abroad involving the Governor General, the Prime Minister and Portfolio Ministers.

**Lessons Learned**

The fragile global economic recovery underscored the need to for Canada to renew efforts to reform global economic institutions, support a rules-based trading system and further expand the Government of Canada's aggressive agenda of bilateral trade negotiations, including Free Trade Agreements, Foreign Investment Protection and Promotion Agreements, Air Services agreements, and other trade instruments.

DFAIT recognized that new approaches were needed for Canada to become a 21st-century leader in international education in order to maximize economic opportunities and foster improved bilateral relations. Budget 2011 allocated $10 million over two years to develop and implement an International Education Strategy for Canada drawing upon the recommendations of an independent advisory panel. The Advisory Panel, with DFAIT support, undertook an extensive consultation process with the provinces, students, and education and private sector representatives and generated 14 recommendations designed to enhance Canada's international education strategy.

## 2.2 Strategic Outcome 2: International Services for Canadians

**Description:** Canadians are satisfied with commercial, consular and passport services.

### 2.2.1 Program Activity 2.1: International Commerce

**Description:** This program activity delivers commercial services and advice to Canadian businesses and supports their pursuit of international business opportunities.

**2011-12 Financial Resources ($ millions)**

| Planned Spending | Total Authorities | Actual Spending |
|---|---|---|
| 162.7 | 172.3 | 167.5 |

**2011-12 Human Resources (FTEs)**

| Planned | Actual | Difference |
|---|---|---|
| 1,428 | 1,399 | (29) |

**Program Activity Performance Summary**

| Expected Results | Performance Indicators | Targets | Actual Results |
|---|---|---|---|
| Canadian exporters, innovators and investors have increased their international | Percentage of clients and partners who actively pursued a commercial agreement in a market where they sought assistance from the Trade | 50% of assisted clients actively pursuing opportunities in target | 58% |

| | | | |
|---|---|---|---|
| business development efforts. | Commissioner Service (TCS). | market | |
| Foreign direct investment in proactive sectors and from key markets to which DFAIT contributes has increased in number and value. | Number of foreign direct investments made in proactive sectors and from key markets to which DFAIT contributed. | 100 | 152 |
| High-quality international commerce services are delivered to Canadian exporters, importers, investors and innovators. | Percentage of clients who are satisfied with the quality of commercial services delivered by the department. | 70% | 80.1% |
| | Percentage compliance rate against published service standards for Export and Import Controls. | Establish baseline data[16] | 94% |

**Performance Summary and Analysis of Program Activity**

DFAIT continued to facilitate improved commercial opportunities for Canadian global businesses in emerging markets, for example, by increasing the number of new clients active in India by 10.14 percent and opening an embassy in Qatar. Sector-driven capacity building and program delivery efforts continued to support Canadian businesses competing in global value chains, targeting 90 multinational enterprises and serving 252 clients.

Minister Fast led a trade mission of 19 Canadian companies to Brazil to explore business opportunities in one of the world's fastest-growing economies and to showcase Canadian expertise in key sectors, such as construction, engineering, infrastructure and high technology.

In Asia, 4,851 clients received services from the Trade Commissioner Service (TCS)—a five-percent increase over 2010-11—with an overall satisfaction rate of 81.3 percent, which was a 0.8 percent decline from the previous year. DFAIT worked to expand and diversify market access through high-level political interaction, including:

- a ministerial trade mission to India in November 2011;
- the establishment of a Canada-ASEAN Business Council;
- a Canada-ASEAN Joint Declaration aimed at enhancing trade and investment, promoting private-sector engagement, and enhancing coordination in the World Trade Organization; and,
- operationalized Canadian trade offices in six Chinese cities (Wuhan, Chengdu, Shenzhen, Qingdao, Shenyang and Nanjing).

Working to advance Canadian commercial and investment interests in Africa, the importance of developing strong commercial ties between Canada and African nations, as well as within La Francophonie, was highlighted at Forum Africa 2011 in Montréal.

European missions worked to strengthen bilateral trade, investment and innovation relations between Canada and Europe, with 10,467 TCS services delivered to 1,803 new clients who pursued 358 opportunities leading to 206 facilitated economic outcomes.

In the Americas, DFAIT continued to highlight Canada as a competitive destination for foreign direct investment (FDI). FDI promotion activities aimed at the U.S. successfully facilitated more investment projects than in the previous year, leading to $1.4 billion in investment and creating over 2,200 jobs.

[16] This performance indicator has been replaced by the percentage compliance rate against published service standards for various types of permits. The actual result was 94%, which has established the baseline.

Globally, DFAIT successfully facilitated 152 greenfield and expansion foreign direct investments in 2011-12, with a total estimated value of $19.7 billion and creating over 7,720 jobs. This was advanced through a number of key activities, including:

- promoting Canada as an investment location of choice at 12 key events, including the World Economic Forum, the World Business Forum and within the Asia-Pacific Economic Community;
- delivering 60 private sector Investment Champion speaking engagements by senior-level private sector executives in priority sectors and markets; and,
- conducting 2,249 FDI-related meetings and assisting in arranging 249 exploratory company visits to Canada by prospective foreign investors.

The alignment of TCS services with the needs of commercial clients was enhanced by engaging 16 private sector advisory boards in consultations on sector-based strategies, policy decisions and programming.

DFAIT worked to strengthen science and technology partnerships, initiating 86 partnership agreements through 38 Going Global Innovation projects and approving two International Science and Technology Partnerships (ISTPP) projects. Expanded innovation partnerships were pursued with a variety of international partners, including:

- leveraging $3 million of ISTPP funding to deliver a targeted $18-million R&D collaboration initiative with China;
- enhancing science and technology cooperation with Japan through sector-based collaboration; and,
- establishing a Canada-Brazil Joint Committee for Cooperation in Science and Technology.

The department continued to manage its obligations with respect to the Export and Import Permits Act, achieving progress against a multi-year replacement plan for its online business tools, and meeting published service standards for export and import permits 94 percent of the time.

**Lessons Learned**

Recognizing the importance of whole-of-government collaboration on complex international trade issues, DFAIT continued to chair an interdepartmental working group on the Corporate Social Responsibility (CSR) Strategy for the Canadian Extractive Sector with representatives from CIDA, NRCan and DFAIT. The working group monitored progress on the implementation of the Government of Canada's CSR strategy, developed a forward-looking approach to CSR, and identified synergies and efficiencies between departments. DFAIT also chaired an interdepartmental CSR Committee consisting of 11 federal departments to exchange information and lessons learned and encourage policy coherence on CSR issues.

### 2.2.2 Program Activity 2.2: Consular Services and Emergency Management

**Description:** This program activity manages and delivers consular services and advice to Canadians and provides a coordinated Government of Canada response to emergencies abroad affecting Canadians.[17]

**2011-12 Financial Resources ($ millions)**

| Planned Spending | Total Authorities | Actual Spending |
|---|---|---|
| 60.6 | 69.5 | 68.0 |

**2011-12 Human Resources (FTEs)**

| Planned | Actual | Difference |
|---|---|---|
| 471 | 540 | 69[18] |

**Program Activity Performance Summary**

| Expected Results | Performance Indicators | Targets | Actual Results |
|---|---|---|---|
| Canadians travel safely and responsibly. | Proportion of Canadians travelling abroad in distress situations. | 1 in 8,500 | 0.94 in 8,500 |
| Canadians abroad receive emergency consular services. | Percentage of emergencies/crises addressed immediately. | 100% | 100% (25 emergencies) |

**Performance Summary and Analysis of Program Activity**

To improve the accessibility, accuracy and quality of safe travel and security information on the consular web site the department completed a full program and content review to ensure accessibility to users with various disabilities.[19]

Canadians were provided with the most up-to-date travel information through the production of over 2,000 updates to country travel reports. The consular web site received 5.9 million visits, a nine-percent increase over the previous year. Some 649 emails related to safety and security issues were sent to Canadians who registered with the Registration of Canadians Abroad service.

DFAIT delivered outreach activities at 25 travel and trade shows across Canada and provided 68 safe-travel presentations to targeted groups of travellers, stakeholders and industry associations.

New safe travel outreach tools were developed, such as a new interactive consent letter for children travelling abroad, as well as other promotional materials aimed at targeted groups of travellers, including a new edition of *Her Own Way: A Woman's Safe Travel Guide*.

Construction of a new Emergency Watch and Response Centre was completed to improve Canada's consular and emergency response capacity and enhance whole-of-government coordination in responding to emergencies abroad. Between April 2011 and March 2012, the Centre responded to over 110,000 calls from individuals seeking consular or emergency assistance.

DFAIT coordinated the Government of Canada's response to 25 international emergencies, which directly affected a total of 4,647 Canadians, including Canada's response to the March 2011 earthquake and nuclear emergency in Japan.

---

[17] The term "consular" describes the services that a country provides for its citizens abroad, as established in the 1963 Vienna Convention on Consular Relations, to which Canada is a signatory.

[18] The Consular and Emergency Management program activity had an increase of 23 FTEs in comparison to its planned figure, due to increased staffing to improve security at missions abroad. The remaining variance was due to a change in methodology used to calculate FTEs by program activity.

[19] www.travel.gc.ca

A Regional Emergency Management Office for Asia was opened in Kuala Lumpur, Malaysia to deliver regional emergency management services directly to missions and to enhance regional response capacity. The opening of this office completed DFAIT's Regional Emergency Management Network, which also includes offices in Panama and Turkey.

**Lessons Learned**

A two-year review of consular procedures aimed at standardizing the delivery of consular services at missions abroad was completed. Working to improve the management of approximately 10,000 new and ongoing consular cases, the department worked with Justice Canada to streamline the provision of emergency financial assistance to individual Canadians who are victims of specified crimes abroad.

### 2.2.3 Program Activity 2.3: Passport Canada

**Description:** This program activity is responsible for issuing, withholding, recovering and overseeing the use of Canadian passports. It issues secure Canadian travel documents by authenticating the identity and entitlement of applicants, facilitates the global travel of Canadians, and contributes to international and domestic security. Passport Canada finances its operations from the fees charged to clients, operating by means of a revolving fund.

**2011-12 Financial Resources ($ millions)**

| Planned Spending | Total Authorities | Actual Spending |
|---|---|---|
| 329.1 | 158.3 | 19.5[20] |

**2011-12 Human Resources (FTEs)**

| Planned | Actual | Difference |
|---|---|---|
| 2,664 | 2,431 | (233)[21] |

**Program Activity Performance Summary**

| Expected Result | Performance Indicators | Targets | Actual Results |
|---|---|---|---|
| Canadians receive innovative, reliable, consistent and accessible passport services. | Percentage of clients who indicate that they are satisfied with the passport services they have received. | 90% of clients are satisfied to some extent with their overall service experience with Passport Canada | 90% |
| | Percentage of Canadians having access to a point of service within 100 km. | 95% | 95% |

**Performance Summary and Analysis of Program Activity**

Passport Canada worked to improve the efficiency and effectiveness of service delivery, issuing over 4.8 million travel documents, with 99 percent of clients receiving passports on time or early, and a 90 percent client satisfaction rate. In addition, 95 percent of Canadians were offered a passport point-of-service within 100 km of their residence.

---

[20] Passport Canada: In 2011-12, Passport Canada generated revenues of $293.6 million and spent $313.1 million resulting in a net actual spending of $19.5 million to deliver its program. The planned amount of $329.1 million excludes the corresponding revenues figure. When using the same basis of comparison between actual and planned spending, the variance is more accurately reflected as $16 million versus $310 million.

[21] The difference between actual and planned FTEs is mainly due to department-wide savings measures.

To improve service to Canadians abroad, the department successfully piloted the simplified renewal application process in London, Dublin and Hong Kong; the first step to offering this service at all offices abroad.

Improvements were made to the security of the passport entitlement and issuance processes, including:

- completion of a security awareness pilot project for front-line staff;
- the launch of an electronic process to validate certificates of citizenship (through the development of a secure link with Citizenship and Immigration Canada); and,
- the expansion of a quality assurance program.

A new fee-for-service proposal was developed, using input received during the public consultations process, and tabled in Parliament. The new fees are the lowest possible to support the introduction of the new 10-year ePassport and will allow Passport Canada to keep pace with technological advancements, strengthen security standards as threats change, and continue to provide quality service to Canadians. Full deployment of the 10-year ePassport, along with the introduction of the new fee structure is scheduled for spring 2013.

DFAIT also relocated Passport Canada regional offices to shopping centres in Ontario (Ottawa and London) and Quebec (Pointe-Claire) resulting in improved access to service.

**Lessons Learned**

Recognizing the increasingly critical need for the security of travel documents, the department completed a security awareness pilot project for front-line Passport Canada staff to foster a workforce culture that safeguards the ongoing integrity of the passport entitlement process. DFAIT also worked to improve the security of the Canadian passport by integrating facial recognition verifications into the application process; developing an electronic method to validate certificates of citizenship; and expanding a quality assurance program to 12 Passport Canada offices.

## 2.3 Strategic Outcome 3: Canada's International Platform

**Description:** This program enables DFAIT to maintain a global mission network of infrastructure and services to enable the Government of Canada to achieve its international priorities. This includes the provision of: financial and human resources services; communications connectivity and information management; accommodations, including work facilities and living quarters; travel services; Foreign Service Directives administration; and, diplomatic mail services. As of March 2011, Canada's network abroad comprised 7,919 Canada-based and locally engaged staff in 178 missions in 106 countries, and 18 regional offices across Canada.

### 2.3.1 Program Activity 3.1: Governance, Strategic Direction and Common Service Delivery

**Description:** This program activity governs, provides strategic direction and leadership, manages change, delivers services and provides infrastructure to the mission platform.

**2011-12 Financial Resources ($ millions)**

| Planned Spending | Total Authorities* | Actual Spending* |
|---|---|---|
| 823.1 | 756.5 | 654.6 |
| * Excludes amount deemed appropriated to Shared Services Canada. | | |

### 2011-12 Human Resources (FTEs)

| Planned | Actual | Difference |
|---|---|---|
| 4,589 | 4,496 | (93)[22] |

### Program Activity Performance Summary

| Expected Results | Performance Indicators | Targets | Actual Results |
|---|---|---|---|
| Approved framework is in place to provide efficient and cost-effective common services and support for Canada's representation abroad. | Percentage of clients approving the costing framework for common services, which is in place to support Canada's representation abroad. | 75% | 100% |
| | Costing framework for common services charges is established to facilitate Canada's representation abroad. | Approved costing framework established. | Met. |
| Common services and support are efficient and cost-effective in supporting Canada's representation abroad. | Percentage of missions whose resources are being allocated according to the common service model or regional service centre plan. | 90% | 100% |

### Performance Summary and Analysis of Program Activity

To streamline mission operations and reduce costs, DFAIT continued to centralize services and consolidate functions through a Common Service Delivery Model at Missions.

DFAIT continued to adjust the policy on common services cost recovery to ensure the ongoing effectiveness and efficiency of service delivery abroad. To strengthen transparency, consistency and equity regarding position changes, the department worked with the Interdepartmental Working Group on Common Services Abroad to improve and formalize costing processes.

To mitigate risks to the safety and security of personnel, information and infrastructure, DFAIT:

- improved and updated security policies and procedures;
- expanded security training at headquarters and missions abroad;
- developed a Departmental Security Plan, which provides an integrated view of security risks and mitigation strategies; and,
- completed 64 projects and 32 preliminary seismic evaluations in support of security upgrades to official residences, staff quarters, and security systems, to ensure the safety and security of chanceries and residences throughout the mission network.

DFAIT chaired several interdepartmental International Platform Governance Committees to improve client awareness of common service delivery standards through information exchanges and collaboration on strategies and policies, including the costing model for Canada-based staff and locally engaged staff positions abroad and common service cost recovery.

### Lessons Learned

DFAIT has continued to implement a regional service centre model for the United States and Europe, Africa and the Middle East to streamline mission operations, reduce costs and mitigate risks through the

[22] The difference between actual and planned FTEs is mainly due to department-wide savings measures.

centralization of services. The development of regional network plans for China, India, Brazil, Asia and Latin America will expand the regional services model and make further gains in the delivery of efficient and effective common services throughout Canada's mission network.

To support a culture of continuous learning and improvement, DFAIT shared information and lessons learned with 32 partner departments and co-locators. Issues addressed included the costing model for human resources abroad and common service cost recovery.

### 2.3.2 Program Activity 3.2: Government of Canada Benefits

**Description:** This program activity is the vehicle through which the department and central agencies manage statutory payments to Government of Canada employees abroad (Canada-based staff and locally engaged staff).

**2011-12 Financial Resources ($ millions)**

| Planned Spending | Total Authorities | Actual Spending |
|---|---|---|
| 150.0 | 224.0 | 212.0 |

**2011-12 Human Resources (FTEs)**

| Planned | Actual | Difference |
|---|---|---|
| 45 | 44 | (1) |

**Program Activity Performance Summary**

| Expected Result | Performance Indicator | Targets | Actual Results |
|---|---|---|---|
| Payments are made accurately in compliance with Canadian and local laws and regulations | Percentage of payments accurate and on time | 95% | 95% |

**Performance Summary and Analysis of Program Activity**

The department ensured timely and accurate pension, social security and benefit payments to Government of Canada employees, meeting established targets for the timeliness and accuracy of payments.

A survey of all Canada-based employees abroad indicated that 78 percent were satisfied with the overall level of service provided and 80 percent rated their knowledge of the Foreign Service Directives (FSDs) from "good" to "excellent."

DFAIT launched a Foreign Service Directives Portal Project, designed to increase monitoring and control of FSD expenditures, enhance forecasting and reporting capabilities, and improve client service and monitoring of service standards.

**Lessons Learned**

DFAIT continued to identify lessons learned and make ongoing improvements to the management of Canada-based staff and locally engaged staff benefits programs, by updating the Terms and Conditions of Employment for all missions, which will follow a consistent cycle to ensure that total compensation reviews are completed for all countries every four years.

## 2.4 Program Activity 4.1: Internal Services

**Description:** The Internal Services program activity provides the essential support functions that enable DFAIT to carry out its mandate, including Governance and Management Support; Resource Management Services and Asset Management Services.

**2011-12 Financial Resources ($ millions)**

| Planned Spending | Total Authorities | Actual Spending |
|---|---|---|
| 187.4 | 209.1 | 198.0 |

**2011-12 Human Resources (FTEs)**

| Planned | Actual | Difference |
|---|---|---|
| 1,583 | 1,409 | (173)[23] |

**Performance Summary and Analysis of Program Activity**

[24]

**Governance and Management Support**

As indicated by the Treasury Board Secretariat's independent Management Accountability (MAF) 2011-12 assessment, DFAIT continued to benefit from a high standard of management and oversight. DFAIT's 2011-12 MAF ratings included seven "Acceptable" ratings, one "Strong" rating and no "Attention Required" or "Opportunity for Improvement" ratings. DFAIT's detailed MAF assessments can be found on the TBS web site.[25]

Improvement of planning, reporting and financial management was identified as a management priority for DFAIT for 2011-12. To support this priority, DFAIT's business planning and reporting processes were significantly improved by directly linking individual senior executive accountabilities to corporate planning commitments and by fully integrating risk management into strategic, operational and mission business plans.

Alignment of resources with plans and priorities was enhanced through the implementation of a new methodology, presented in DFAIT's 2011-12 Integrated Corporate Business Plan, to align plans and related resources against the department's Program Activity Architecture (PAA). Work to reform DFAIT's PAA and related Performance Measurement Framework was initiated in order to simplify planning and reporting and to improve the alignment of departmental resources with policy priorities.

Financial and risk management processes were strengthened through risk-based audits, with a focus on stewardship of resources and financial management. DFAIT initiated 15 audits/reviews, and completed 11, including audits on DFAIT's management of real property, materiel, contracting, and a follow-up audit of resource allocation, which addressed the accuracy, completeness and reliability of financial information, financial forecasts reported in FINSTAT, the Salary Forecasting Tool and the Financial Management Advisor structure.

---

[23] The difference between actual and planned FTEs is mainly due to department-wide savings measures.

[24] This visual identifier signifies that the department contributes to the FSDS through this program activity. See the Greening Government Operations tables in the Section III Supplementary Tables.

[25] www.tbs-sct.gc.ca/maf-crg/methodology-methodologie-eng.asp

Senior management was provided with enhanced access to findings from mission inspections, program evaluations, recipient audits, proactive monitoring and forensic investigations, including:

- nine evaluation reports presented to and approved by the Departmental Evaluation Committee;
- fourteen final mission inspection reports presented to senior management and approved by Deputy Ministers; and,
- eighteen mission inspections recommending improvements to program design, management, planning, and performance measurement.

High standards of practice and awareness of values and ethics were encouraged by conducting consultations with over 800 employees on the development of DFAIT's revised Values and Ethics Code.

A value and ethics awareness program was delivered through 105 sessions (46 abroad and 59 at headquarters) to 1,882 employees. In addition, 32 missions abroad and two regional offices undertook specific values and ethics initiatives.

Access to Information and Privacy (ATIP) performance improved, despite a 12 percent increase in requests, increasing the number of requests met within the 30-day legislative deadline and improving DFAIT's ATIP score from the Office of the Information Commissioner. DFAIT cleared the backlog of older files and continued to find efficiencies in ATIP processes and procedures.

The department's Transformation Agenda and New Business Model initiatives were concluded, improving services to Canadians, focussing the department on its core business, and further strengthening DFAIT's global mission network.

***Communications Support***

Ministers and senior officials were provided with timely and effective communications support, particularly as related to: the implementation of Budget 2012 decisions; Canada's foreign policy and international trade priorities; DFAIT's contributions to global governance and international security; negotiations of the Canada-EU Trade Agreement; and, Canada's Arctic Foreign Policy.

DFAIT responded to more than 3,300 media and 54,000 public inquiries, issued 374 news releases, held 105 media events and created 59 event web pages.

DFAIT's web presence attracted almost 31 million visits, traffic on the Trade Commissioner Service web site increased by 8 percent and usage of social media increased considerably. For example, Twitter was used over 2,300 times to disseminate departmental news, updates and events, up from 950 times in 2010-11.

***Provision of Legal Advice***

DFAIT monitored, supported and provided advice regarding the negotiation or domestic adoption of international treaties, notably regarding the prospective Canada-EU CETA and Arctic boundary issues, tabled over 20 treaties in Parliament, and ratified or brought into force another 40 international treaties.

High quality legal advice was also provided to ensure that Canada's domestic legal regime is in accordance with its international obligations, for example, providing 128 legal opinions on trade law alone. Overall, legal advice was timely and responsive to clients' needs 90 percent of the time.

## Resource Management and Asset Management Services

### *Human Resources Management*

A new Human Resources Management Advisor model was developed to enhance the provision of timely and high-quality advice to clients. The flexibility of workforce management was improved through the implementation of a pool management structure for key occupational groups. The first assignment cycle for these classifications resulted in all vacant assignment positions being filled.

Employment equity gaps were addressed through the work of an Employment Equity Committee, enhanced training and senior management oversight, and the implementation of an Employment Equity plan, which included corrective measures.

DFAIT finalized its Official Languages Action Plan for 2012-15 to fulfill legislated obligations and to increase the use of Canada's two official languages in the department.

### *Financial Management and Asset Management Services*

The continued implementation of the Financial Management Advisor structure improved senior management's access to timely strategic financial information and advice.

Considerable work was done towards providing senior management with timely and integrated financial expenditure forecasting and procurement information through a new integrated financial planning tool for DFAIT headquarters and missions.

Consultations with senior management, Public Works and Government Services Canada and Treasury Board contributed to the development of a Long-term Accommodation Strategy, which incorporates DFAIT headquarters security strategy and provides a way forward for domestic accommodations.

### *Information Management/Information Technology (IM/IT)*

DFAIT ensured that its partners and co-locators abroad and in Canada were provided with continuous worldwide connectivity, maintaining a communications reliability standard of 99.5 percent.

The department created the IM/IT Investment Committee, to support effective horizontal management of IM/IT through a consolidated review of all department IM/IT projects.

An Information Management Advisory Committee was also created to provide executive-level guidance and monitoring, to advise senior management in IM issues, and to support information and knowledge management initiatives across the department.

### Lessons Learned

Recognizing risks to the safety and security of government personnel, information and infrastructure, DFAIT developed a risk-based Departmental Security Plan to provide a consistent and systematic approach to monitoring security threats and implementing strategies to address security challenges.

A security governance structure was established to provide strategic direction and to support decision making. Interdepartmental cooperation on mission security abroad was achieved through the work of the Deputy Minister and Assistance Deputy Minister Councils on Representation Abroad.

The increasing importance of information and knowledge management led to the creation of an executive-level Information Management Advisory Committee to monitor and shape DFAIT's approach and strengthen engagement across the department. Built on the principles of collaboration and horizontal management, the committee was established to advise senior management and support information management initiatives at DFAIT headquarters and missions.

**Changes to Government Structure (resource transfers to Shared Services Canada)**

The following tables of financial and human resources data show the resources that were transferred to Shared Services Canada (SSC) and the expenditures incurred on behalf of SSC.[26]

| 2011-12 Financial Resources ($millions) | | | |
|---|---|---|---|
| | Planned Spending | Total Authorities | Actual Spending |
| Gross Expenditure | 3,040.4 | 3,279.5 | 2,852.7 |
| Less: Re-spendable Revenue | (332.8) | (342.0) | (340.0) |
| Net Expenditures | 2,707.6 | 2,937.5 | 2,512.7 |
| Less: Transfer to Shared Services Canada | (30.7)[27] | (30.7) | (30.2)[28] |
| Net | 2,676.9 | 2,906.8 | 2,482.5 |
| **2011-12 Human Resources** | | | |
| | Planned | Actual | Difference |
| Full Time Equivalents (FTEs) | 13,453 | 13,054 | (399) |
| Less: Transfer to Shared Services Canada | (141) | (134) | (7) |

[26] 35% of IT at Missions has been transferred to Shared Services Canada which is not reflected in the above table.

[27] Pursuant to s. 31.1 of the Financial Administration Act and Orders in Council P.C. 2011-0881 and P.C. 2011-0877 and P.C. 2011-1297, $30.7 million is deemed to have been appropriated to Shared Services Canada, which results in a reduction in DFAIT's appropriations (authorities).

[28] Expenditures in the amount of $30.2 million have been incurred on behalf of Shared Services Canada, which results in a reduction in the actual spending for DFAIT.

# Section 3: Supplementary Information

## 3.1 Financial Highlights[29]

| Condensed Statement of Financial Position (Unaudited)<br>As at March 31, 2012<br>($ millions) | | | |
|---|---|---|---|
| | % Change | 2011-12 | 2010-11 |
| Total Net Liabilities | +1% | 534 | 529 |
| Total Net Financial Assets | +10% | 349 | 318 |
| Departmental Net Debt | -12% | 185 | 211 |
| Total Non-Financial Assets | 0 | 1,251 | 1,251 |
| Departmental Net Financial Position | +2% | 1,066 | 1,041 |
| Condensed Statement of Operations and Departmental Net Financial Position (Unaudited)<br>For the Year Ended March 31, 2012<br>($ millions) | | | |
| | % Change | 2011-12 | 2010-11 |
| Total Expenses | -4% | 2,833 | 2,960 |
| Total Revenues | +12% | 326 | 291 |
| Net Cost of Operations Before Government Funding and Transfers | +2% | 2,549 | 2,756 |
| Departmental Net Financial Position | +2% | 1,066 | 1,041 |

The financial highlights presented within this *Departmental Performance Report* are intended to serve as a general overview of the department's financial position and operations. The department's unaudited consolidated financial statements are prepared in accordance with accrual accounting principles and, therefore, are different from the information published in the Public Accounts of Canada, which is prepared on appropriation-based reporting. The detailed unaudited financial statements of the department can be found on DFAIT's website.

The charts below illustrate the March 31, 2012 ending balances for each major financial statement grouping, along with the corresponding change from the previous fiscal year, restated.

***Assets***

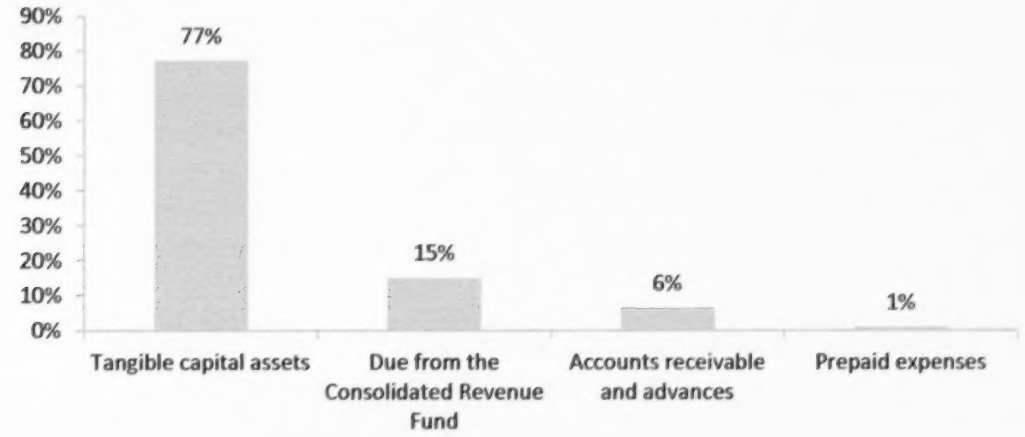
The department's total assets rose by $30 million (2 percent) to $1,600 million as of March 31, 2012, compared to $1,570 million as of March 31, 2011. The department's total financial assets were $349 million, or 22 percent of total assets, while the total non-financial assets were $1,251 million, or 78 percent of total assets. The increase is mainly attributed to:

- a $26-million increase from the Consolidated Revenue Fund to $241 million from $215 million;
- a $20-million increase in tangible capital assets to $1,234 million from $1,214 million (the department owns all Canadian diplomatic and consular properties abroad);

[29] Totals may not add up due to rounding.

- a $7-million increase in accounts receivable and advances to $103 million from $96 million; and,
- an offset generated by a $18-million decrease in prepaid expenses to $14 million from $32 million and a $5-million decrease in total inventory to $8 million from $13 million.

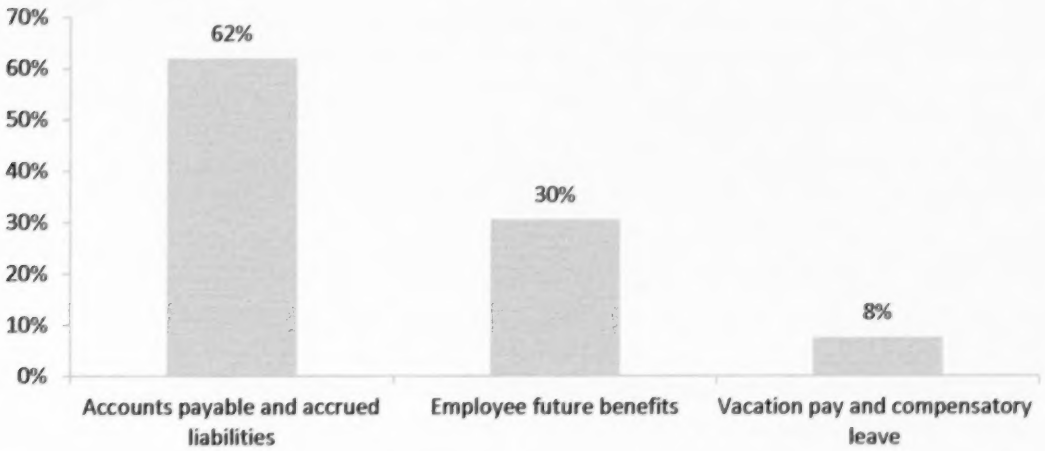
**Asset breakdown**




***Liabilities***

The department's total liabilities rose by $5 million (1 percent) to $534 million as of March 31, 2012, compared to $529 million as of March 31, 2011. The increase is mainly due to a $24-million increase to $330 million from $306 million in accounts payable and accrued liabilities, offset by a $16-million decrease in employee future benefits to $163 million from $179 million and a $3-million decrease in vacation pay and compensatory leave to $40 million from $44 million.

**Liability breakdown**

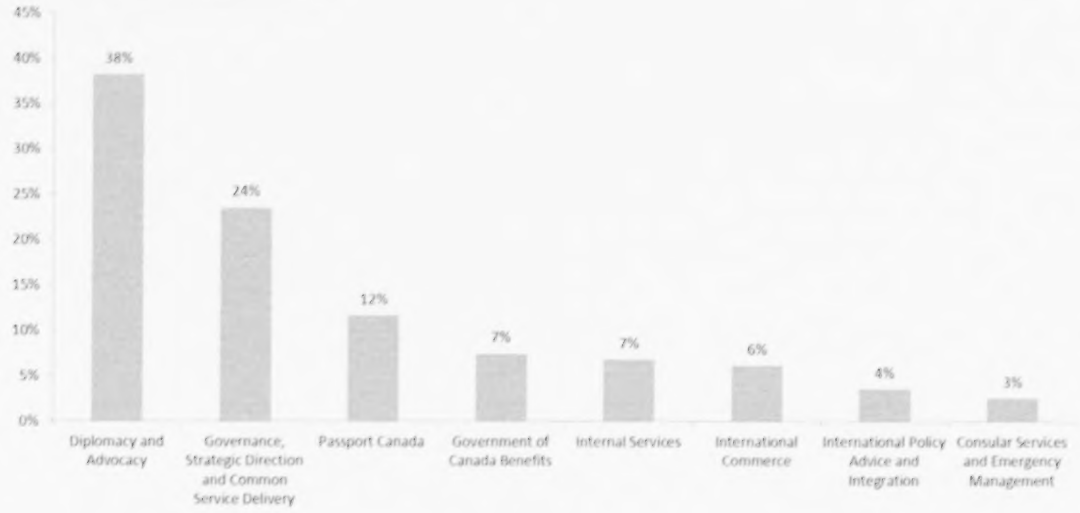



***Expenses***

The department's overall expenses decreased by $126 million during 2011-12. Three main factors contributed to this decrease: a $166-million decrease in operating expenses (excluding salaries and employee benefits); a $74-million decrease in transfer payments; and $114-million increase in salaries

and employee benefits. The Financial Statement's Note 13 Segmented Information provides detailed information by standard object and program activity.

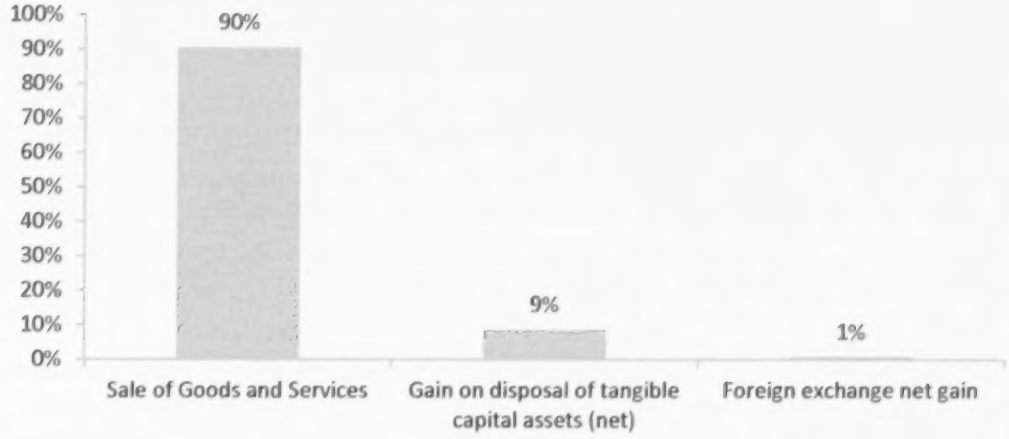
**Expenses by Program Activity**




***Revenues***

An increase in the issuance of passports to 4.8 million from 4.4 million generated a $21-million increase in Passport Canada's revenue. DFAIT realized a related $9-million increase in consular revenues because the department receives a fixed $25 from Passport Canada for each adult passport issue, to cover future consular costs. Due to the disposal of six properties abroad, the department saw its net gain on disposal increase by $44 million.

**Revenue breakdown (including Revenues earned on behalf of Government)**




**Revenues earned on behalf of the Government of Canada**

Revenues earned on behalf of the government were $185 million in 2011-12 compared to $138 million in 2010-11. These revenues are returned to the Consolidated Revenue Fund and are not available for

use by the department. The presentation of this figure is a new requirement from *Treasury Board Accounting Standard 1.2 Departmental and Agency Financial Statements.*

***Transfers to other government departments***

Effective November 15, 2011 the department transferred some responsibility for the Informatic Hardware and Software program to Shared Services Canada in accordance with Order-in-Council 2011-1297, including the stewardship responsibility for the assets and liabilities related to the program. Total assets and liabilities transferred were $9 million and $2 million, respectively. Total expenses transferred were $42 million; however, the department continued to administer $32 million in expenses for the remainder of the year.

## 3.2 Financial Statements

The financial statements may be found on the website of the Office of the Chief Financial Officer.[30]

The statements and notes to the financial statements are available at www.international.gc.ca/finance.[31]

## 3.3 List of Supplementary Information Tables

Electronic supplementary information tables listed in the *2011-12 Departmental Performance Report* can be found on DFAIT's web site.[32]

**Details on Transfer Payment Programs (TPPs)**

- Afghanistan Counter-Narcotics Program
- Anti-Crime Capacity Building Program (ACCBP)
- Canada Fund for Local Initiatives (CFLI)
- Commonwealth Secretariat
- Contributions under the Global Partnership Program for the Destruction, Disposal and Securing of Weapons and Materials of Mass Destruction and Related Expertise
- Counter-Terrorism Capacity Building Program (CTCBP)
- Food and Agriculture Organization of the United Nations (FAO)
- Global Commerce Support Program (GCSP)
- Global Peace and Security Fund (GPSF) and its component programs
- Grants and Contributions in Aid of Academic Relations
- International Atomic Energy Agency (IAEA)
- International Criminal Court (ICC)
- International Labour Organization (ILO)
- International Organisation of La Francophonie (OIF)
- Investment Cooperation Program (INC)
- North Atlantic Treaty Organization (NATO) Civil Administration

---

[30] www.international.gc.ca/finance/index.aspx

[31] www.international.gc.ca/finance/

[32] www.international.gc.ca/about-a_propos/plans/index.aspx?lang=eng&view=d

- Organisation for Economic Co-operation and Development (OECD)
- Organization for Security and Co-operation in Europe (OSCE)
- Organization of American States (OAS)
- Payments in Lieu of Taxes on Diplomatic, Consular and International Organizations' Property in Canada
- Projects and Development Activities Resulting from Francophonie Summits
- United Nations Educational, Scientific and Cultural Organization (UNESCO)
- UN Peacekeeping Operations
- United Nations Organization (UN)
- World Health Organization (WHO)
- World Trade Organization (WTO)

**Greening Government Operations**

- Electronic Electrical Equipment
- Green Meetings Target
- Green Procurement
- Paper Consumption Target
- Printing Unit Reduction Target
- Reporting on the Purchase of Offset Credits
- Training, Performance Evaluation, Management Processes and Controls

**Horizontal initiatives**

**Sources of Respendable and Non-Respendable Revenue**

**Summary of Capital Spending by Program Activity**

**Upcoming Internal Audits and Evaluations over the Next Three Fiscal Years**

- Response to Parliamentary Committees and External Audits
- Internal Audits
- Internal Evaluations

**Up-front Multi-Year Funding**

- Centre for International Governance Innovation (CIGI)

**User Fees Reporting**

- User Fee Reporting Totals
- User Fee Act: Access to Information
- User Fee Act: International Youth Program
- User Fee Act: Export/ Import Fees
- User Fee Act: Consular Services
- User Fee Act: Consular Service
- User Fee Act: Passport Canada

# Section 4: Other Items of Interest

## 4.1 Organizational Contact Information

### Foreign Affairs and International Trade Canada (DFAIT)

**Foreign Affairs and International Trade Canada (DFAIT)**
125 Sussex Drive
Ottawa, ON K1A 0G2
Tel.: 613-944-4000 (local) or 1-800-267-8376 (toll-free)
TTY: 613-944-9136
Fax: 613-996-9709
www.international.gc.ca

**Enquiries Services**
Foreign Affairs and International Trade Canada
125 Sussex Drive
Ottawa, ON K1A 0G2
Tel.: 613-944-4000 (local) or 1-800-267-8376 (toll-free)
TTY: 613-944-9136
Fax: 613-996-9709
enqserv@international.gc.ca

**Passport Canada, Foreign Affairs and International Trade Canada**
Gatineau, QC K1A 0G3
Tel.: 1-800-567-6868 (toll-free)
TTY: 1-866-255-7655
www.ppt.gc.ca

### DFAIT's Portfolio

**Canadian Commercial Corporation**
50 O'Connor Street, Suite 1100
Ottawa, ON K1A 0S6
Tel.: 613-996-0034 (local) or 1-800-748-8191 (toll-free)
Fax: 613-995-2121
www.ccc.ca

**Canadian International Development Agency (CIDA)**
200 Promenade du Portage
Gatineau, QC K1A 0G4
Tel.: 819-997-5456 (local) or 1-800-230-6349 (toll-free)
TTY: 819-953-5023
Fax: 819-953-6088
www.acdi-cida.gc.ca

**Export Development Canada (EDC)**
151 Slater Street
Ottawa, ON K1A 1K3
K1A 1K3
Tel.: 613-598-2500 (local) or 1-800-267-8510 (toll-free)
TTY: 1-866-574-0451
www.edc.ca

**Roosevelt Campobello International Park**
459 Route 774
Welshpool, New Brunswick E5E 1A4
Tel.: 506-752-2922 (local) or 1-877-851-6663 (toll-fee)
Fax: 506-752-6000
www.fdr.net/home

**International Joint Commission** (Canadian Section)
234 Laurier Avenue West, 22nd Floor
Ottawa, ON K1P 6K6
Tel.: 613-947-1420
Fax: 613-993-5583
www.ijc.org

**National Capital Commission (NCC)**
202-40 Elgin Street
Ottawa, ON K1P 1C7
Tel.: 613-239-5000 or 1-800-465-1867 (toll-free)
TTY: 613-239-5090 or 1-866-661-3530 (toll-free)
Fax: 613-239-5063
www.canadascapital.gc.ca

**International Development Research Centre (IDRC)**
150 Kent Street
Ottawa, ON K1P 0B2
Postal Address: P.O. Box 8500
Ottawa, ON K1G 3H9
Tel.: 613-236-6163
Fax: 613-238-7230
www.idrc.ca